

OPEN MEETING AGENDA ITEM

ORIGINAL

E-01345A-12-0290

E-01933A-12-0296

E-01345A-10-0394

from: E-04204A-12-0297  
Eric Medlin

Tempe, AZ 85282

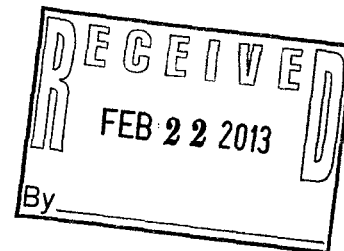


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2/20/13

to:

The Honorable Susan Bitter-Smith  
Arizona Corporation Commission  
Commissioners Wing  
1200 W. Washington - 2nd Floor  
Phoenix, Arizona 85007



Dear Ms. Bitter-Smith,

My name is Eric Medlin, I am a 65 year old second generation Arizona native. I am a retired Engineer from Honeywell Aerospace and I vote. I have a sincere concern that Solar incentives are being changed by you. I have lived through previous times that you have offered solar incentives and then later stopped them prematurely. And as a little aside to this, I also got totally SCREWED on the last Alterate Fuel fiasco. Anyway, I have solar systems on both my Tempe and Prescott houses and am very happy with their performances. I also own an electric Leaf, so you might say I am doing my share in the "Green" department. I would hate to think that others might not be given the same opportunity that I was afforded. I understand that ultimately it will not be necessary to offer incentives for these programs but, believe me, we are not anywhere near there yet. As with computers, it will take a long while before the volume of these systems will increase to a level where no incentive will be necessary. My first computer cost me \$2400 dollars as compared to today's prices of \$300 or \$400, the difference being I needed that first computer and most people don't perceive a need for solar system yet. Please don't repeat the premature abandonment of these programs as you have done in the past.

Sincerely

*Eric A. Medlin*

Eric Medlin

Arizona Corporation Commission

DOCKETED

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ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

## Teresa Tenbrink

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**From:** Garth Orkney [REDACTED]  
**Sent:** Monday, January 28, 2013 3:48 PM  
**To:** BitterSmith-Web  
**Subject:** Commercial Solar Incentives

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Hello Commissioner Bitter Smith:

I was very disappointed to see that you and the rest of the ACC decided to eliminate the 2013 budget for large commercial solar incentives coming from APS and TEP. I think your action will prove to be short sighted and damaging to the solar industry in Arizona, and will impede the progress Arizona is making towards the enlightened goal to rely more on renewable energy sources.

I can certainly believe that most if not all large commercial projects that have been in the planning stages will come to a screeching halt without the utility incentive. With the current low cost of natural gas, which is not sustainable, and no further drops in solar module costs due to import tariffs, it will be very hard for a business to make the financial commitment for the solar installation. Yet those are the commitments that we need to ensure a healthy energy future for Arizona. The solar energy source will never be subject to increasing fuel prices. It will never be subject to the environmental regulations that are trying to clean our air.

One of the stated reasons for the decision is that the Commission doesn't want to see APS at over capacity due to excessive solar installations. I have never heard of that projection before and find it hard to believe. If you are thinking in terms of the growth stagnation in the state of the last few years due to economic factors, I submit that that is not a good basis on which to make your projection. You have to look at the historic growth we have had in Arizona and the accompanying demand for power.

I also want you to keep in mind the very real possibility of the curtailment of the Navajo Generating Station power production due to clean air regulations. How will that lost power production be replaced? Is it possible that APS or TEP power could be needed for the purpose of pumping CAP water? Should excess capacity really be a valid concern of these utilities?

I honestly think your recent actions are a disservice to the State and to the ratepayers of APS and TEP. They are certainly a disservice to the state's solar industry that has been relying on reasoned and measured changes to the implementation of the Renewable Energy Standard so that their industry can continue to grow as needed and be a real plus to the Arizona economy.

I humbly request that you and the Commission seriously reconsider your decision and act to further the goals of the Renewable Energy Standard.

Sincerely,

Garth Orkney  
[REDACTED]  
Phoenix, AZ, 85044  
[REDACTED]

February 6, 2013

Commissioner Susan Bitter Smith  
Arizona Corporation Commission  
1200 W Washington  
2nd Floor  
Phoenix, AZ, 85007

RE: TEP and APS Solar Incentives

Dear Commissioner Bitter Smith:

As soon as I heard about the Commission's decision to eliminate the commercial incentive and set the residential incentive at \$.10/watt for TEP, Unisource, and APS, I sent you an email expressing my frustration and disappointment as a ratepayer. I hope that you saw it and had a chance to read it. It was my initial gut response to the Commission's actions as reported in the Arizona Republic and your subsequent press release.

I would like to expand on why I urge you to change your stance and reinstate the commercial incentive and increase the residential incentive. I believe that solar is a huge part of Arizona's energy future but it needs nurturing still, as does any technology whose major benefits are in the future. Your predecessors on the Commission had the foresight to recognize that and establish the REST, which has been very successful until now.

As for the large commercial incentive part of REST, the harm of no UFI or PBI for 2013 will be primarily felt by the non-profits and public agencies in the TEP and Unisource territories. They have been a substantial part of the large commercial market and have been able to justify the investment in the systems near term with the incentives. With no way to write off the expense(depreciation on tax filings) or take tax credits as for-profit commercial can, this significant market will evaporate. I am aware of planned large commercial projects(TEP) that have already been cancelled with resulting layoffs of installers.

The Commission claims that it is trying to trim ratepayers' bills, yet as a result of your elimination of the large commercial UFI's and PBI's, the average TEP electric bill will decrease by only \$.15/month. That will not even be noticed by the ratepayers who have had no say in your decision. I suspect that most of them would think that the

\$.15/month is a bargain investment in the renewable power future of TEP. It has been determined that for every dollar spent by TEP ratepayers for REST, \$4 has come back in Federal investment and \$8 in private investment. This new investment has been fueling valuable Arizona job growth in the clean energy sector. These jobs are coveted around the country for being extremely sustainable economically and environmentally.

The residential incentive is still critical to get more solar modules on Arizona rooftops. The economy remains sluggish and unfortunately most Arizonans are not in a financial position to invest long term and make the upfront investment in solar without the help of a significant utility incentive. \$.10/watt is not significant. That is only \$700 on a 7kw system that may cost \$30,000 to \$35,000.

SRP understands this dynamic and is currently offering \$.40/watt to their ratepayers for grid tie systems. And their total pool for 2013 is \$5,000,000. You have established a total pool for TEP of only \$730,000 and for APS of only \$2,600,000! As of 2-8-13, only 1.8% of APS's 2013 pool has been reserved, while 62% of SRP's pool has been reserved to date. It is already clear which program is still succeeding to put solar on the rooftops for a minimal cost to ratepayers.

The Commission's policy change was a hasty one and an unexpected one. There was little or no time for industry or public comment. As a result, a flourishing, yet nascent solar industry in Arizona is left scrambling to pick up the pieces and adjust business plans. Projects are being scrapped, orders are being cancelled, employees are being laid off, and ratepayers are losing an opportunity to better themselves and the future of the utility. In short, the objectives of the RES are in jeopardy. The industry is stalling and will shrink. A year from now will be too late for the Commission to heal the damage with more enlightened policy.

I seriously hope that you will reconsider the 2013 implementation policy changes you have made.

Sincerely,



Garth Orkney

Phoenix, AZ, 85044